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FM AMEMBASSY OSLO
TO RUEHC/SECSTATE WASHDC PRIORITY 7825
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEAIIA/CIA WASHINGTON DC
RHMFIUU/DEPT OF ENERGY WASHINGTON DC

UNCLAS SECTION 01 OF 04 OSLO 000586

SENSITIVE

SIPDIS

STATE FOR EUR/NB, EUR/RUS, OES/OPA, AND INR

(C O R R E C T E D C O P Y) - TEXT ERRORS

1E. O. 12958: N/A

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SUBJECT: Svalbard - Norwegian Territory with a Twist

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SBU - PLEASE HANDLE ACCORDINGLY

11. (U) SUMMARY: Pol/Econ counselor traveled to Svalbard Sep 1-4 as part of a Norwegian and international group hosted by two Norwegian security policy related NGOs. The group toured the main settlement on Svalbard -- Longyearbyen -- as well as visiting the Russian mining community in Barentsburg. Svalbard played host the same week to an extended visit by UN Secretary General Ban Ki-Moon, who traveled from Svalbard further into the Arctic Circle to view the melting ice. The Embassy's new Charge d'affaires also toured parts of Svalbard in mid-August, along with a group of U.S. Congressional staffers as part of the MFA-arranged Norwegian-American Parliamentary Exchange Program (NAPEP). His tour included what is left of the other Russian settlement at Pyramiden as well as the Kongsberg Satellite Station, of which NASA is a prime customer. Positioned high up in the Arctic Circle at 78 degrees north latitude, the territory's importance to Norway stems from its unique location for contributing to research on climate change and melting polar ice, as well as the potential it represents for both collaboration and potential competition with Russia in Norway's High North and security policy. END SUMMARY.

12. (U) Pol/Econ Counselor toured Svalbard September 1-4 as part of a Norwegian and international group sponsored by two Norwegian think tanks/NGS - the Norwegian Atlantic Committee and People and Defense (Folk og Forsvar). The Dutch DCM in Oslo and two other Americans were also on the trip, one civilian from NATO's Supreme Headquarters Allied Powers Europe (SHAPE) office and one George Washington University professor. Svalbard is a group of islands far north of the mainland of Norway into the Arctic Circle, at 78 degrees North latitude. The territory measures 63,000 square kilometers, very roughly the size of Ireland, but is home to only about 2,700 to 3,000 inhabitants year round and slightly more in the summer when hundreds of scientists pour in from across the globe for various field experiments. Tour guides like to point out the polar bear population on the island chain is closer to 3,000. The entire territory of Svalbard falls under Norwegian sovereignty, but is open internationally, as described in more detail below. This makes the territory unique in many respects in Norwegian and international law.

13. (U) Some 2,000 to 2,200 of Svalbard's inhabitants live in the Norwegian mining town of Longyearbyen (on the

west coast of the main island of Spitsbergen) where the Governor's office, the Norwegian Polar Institute, the University Centre in Svalbard, and the Great Norwegian Mining Company headquarters are located. The other main population center is the Russian mining town of Barentsburg, south of Longyearbyen and also on the west coast of Spitsbergen. Having once housed well over 1,000 people, Barentsburg is now home to about 550 inhabitants comprised of Russians and - according to our group's Russian tour guide - some 70 percent Ukrainians. There are hardly any surface roads of any significant distance in all of Svalbard, and there is no road connecting Longyearbyen and Barentsburg. The only connections between the predominantly Norwegian and predominantly Russian towns are by ferry boat in summer or by snow mobile across the mountains in winter. From Barentsburg, there is a charter plane to and from Moscow once every two months, which transports mining company staff and their families and delivers the town's main supply of food and produce. The settlement does not trade much with Longyearbyen or with Tromso, the nearest port of entry into mainland Norway some 200-250 miles (check) south across the arctic waters. Interestingly, there does not appear to be a border crossing or other port of entry into Norway in Barentsburg at the ferry port or at the site of the Russian charter plane's landing.

14. (SBU) A few interesting facts about Barentsburg: The Russian Consulate-General at the top of the hill -- which we saw from a distance in our guided tour -- was a grand structure some four or five stories tall, larger than many countries' embassies in Oslo. The main purpose of the consulate, according to the guide, was to provide consular services to once thriving Russian community in Barentsburg and surrounding towns. For economic reasons, Russia has since closed down its mining operations in the town of Pyramiden and other locations.

15. (U) The Russian mine in Barentsburg has not yet been fully

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repaired after a fire and the subsequent required flooding of the mine in 2008. The Russian government does, however, plan to restore the mine and it continues to maintain and subsidize the town's operation. The small settlement town is fairly well equipped with a Russian daycare and elementary school, a sports center, communal living quarters and social halls, Russian souvenir shops, a grocery store, a hotel (which, the guide admitted, hardly ever received any tourists), a small church (built as a monument to the 141 victims of a 1996 plane crash in the area), and a statue of Lenin in the main square. The one obvious sign of Norwegian sovereignty over the territory was the small Royal Norwegian post office inside the town's Russian-run hotel. Some photos and other information about Barentsburg are on the Norwegian Polar Institute's website at <http://cruise-handbook.npolar.no/en/isfjorden/barentsburg.html>.

16. (U) At the edge of the Barentsburg settlement, facing the harbor port, there is a Russian scientific research station, which the guide says employs about 12 scientists year round, plus some 30 more who come just for the summer months. This research station is in addition to the Russians' research facilities in the main international research town of Ny Alesund, far north on the island of Spitsbergen.

17. (U) As in Longyearbyen, there are no trees and few signs of plant life in Barentsburg; the permafrost prevents them from growing. The sun is out 24 hours a day for four months in summer, and it is then completely dark for four months in winter, until early to mid-March.

Svalbard - Norwegian Territory but International Too

18. (SBU) Our group was briefed on separate occasions by the outgoing governor of Svalbard Per Sefland and his deputy Lars Faus, who plans to serve another year. They are Norwegian

government officials who answer to Norway's Ministry of Justice. Norwegian law largely applies on the island chain, with a few exceptions. Chief among the exceptions is that Norway's immigration law and Norway's Schengen arrangement with the EU do not apply in Svalbard. Instead, the Svalbard Treaty serves to guide immigration policy, such as it is. In practice, the governor and deputy admitted, the territory is not only open to the 40 plus States signatories to the Svalbard treaty, but to everyone from around the world. People flying into Longyearbyen airport in Svalbard from the last stop on Norway's mainland - Tromso airport, or from other countries, go through no real customs or passport control to enter the island chain.

¶9. (SBU) The area of Svalbard is a duty free shopping zone, and the Government of Norway collects no VAT on almost anything purchased in Svalbard. When flying or sailing from anywhere on Svalbard back to Tromso, Oslo, or elsewhere in Norway, passengers are supposed to go through Norwegian and Schengen immigration and customs controls. But in practice, the governor and deputy separately both admitted to our group the checks were not yet very thorough. "It will get better by 2011, when Norway is up for a review of its Schengen compliance," the governor said. The current state of affairs resulted in one recent case in which a Libyan citizen who was ineligible to reside in Norway left for Svalbard and tried to reenter Norway through the airport in Tromso in July 2009. In that one case, he was caught by Norwegian authorities, but others likely try the same tactic and succeed, the governor indicated.

Charge's visit to Svalbard with Congressional Staffers

¶10. (SBU) Post's then-newly arrived Charge d'Affaires (CDA) also visited Svalbard August 13-16, along with a group of House and Senate staff members on the Norwegian American Parliamentary Exchange Program (NAPEP), hosted by the Government of Norway. In Longyearbyen, the group met with Svalbard Governor Per Sefland and also received briefings at the University Center, the Kongsberg satellite tracking station, and the UN's Global Seed Bank. These latter three institutions, along with burgeoning tourism, form part of Norway's largely successful effort to supplement coal mining (now in serious decline) with other more up-to-date forms of economic activity as the basis for its physical presence on the archipelago.

¶11. (SBU) The governor explained that Norway's Svalbard policy is based on four principles: 1. Firm application of the 1920 Svalbard treaty 2. Secure peace and stability in the area 3. Protect and preserve the wilderness character of Svalbard, and 4. Maintain Norwegian settlements in Svalbard. The Norwegian government conducts an annual three-week inspection of the archipelago by boat.

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The population of Svalbard does not enjoy the full health and welfare benefits of mainland Norwegians, the Governor said, and it is not intended that any of the 2500-plus Norwegian residents remain there permanently. (CDA did meet one long time resident who runs dog sleds for tourists in the Advent Valley, and he expressed some antagonism at mention of the governor. Another Svalbard resident explained that this was because the government's zealous policy of protecting the Svalbard environment is annoying to the small number of long term residents of Svalbard, who value unrestricted freedom to hunt and fish. Regarding tourism, the modern airport outside Longyearbyen has many full flights daily in the summer. Flights during the long dark winter are much fewer, averaging three days a week. The governor said about 30 cruise ships visit Svalbard every summer. He expressed concern about the possibility of an oil spill from one of these ships, because it would be "virtually impossible" to bring in the kind of equipment that would be required to clean up after such an event. For this reason, Norway is considering a ban on the use of heavy oil by any vessels coming near Svalbard.

¶12. (U) Tourists visiting Svalbard who travel outside of habited areas must be accompanied by armed guides due to the danger from the roughly 3000 polar bears. Polar bears are rarely killed

(a large stuffed specimen in the museum resulted from an attack on some scientists several years ago), and when they are, a complicated investigation must take place, similar to a homicide investigation, to determine if the killing was warranted.

¶13. (SBU) Sefland also mentioned to the NAPEP group, as he did to pol/econ counselor's group in September, his serious concern that Svalbard represents a loophole in Norway's Schengen border, due in part to poor screening at Tromso airport in northern Norway. CDA noted that upon returning from Svalbard to Oslo on a direct flight, all inbound passengers from Svalbard are screened by passport control and customs at Gardermoen airport in Oslo.

Small Russian Settlement Left at Pyramiden

¶14. (SBU) The NAPEP delegation travelled together with other tourists by a small ship to the abandoned Russian mining town of Pyramiden, north of Longyearbyen but also on Isfjorden. On the way, a group of about 20 Italian tourists was let off to spend close to a week on their own in the wilderness, and another group of Europeans was picked up on the return journey from a similar expedition. In Pyramiden, some 5-10 Russian men were seen working to repair the water system and some of the buildings. The Russian guide, who carried a rifle in case polar bears approached our group, explained that the repairs we intended to assist in conversion of Pyramiden into a tourist destination. Although CDA found the town to be an interesting time capsule of Soviet life (as in Barentsburg, a large statue of Lenin is a big photo attraction), the scale of work that would be needed to actually make the crumbling ghost town of Pyramiden into a money-making attraction would be far greater than anything that was observed. The "hotel" which supposedly will be the centerpiece of the project is a 70's era shambles. Interestingly, it bears a sign indicating that the Norwegian postal service picks up and drops off mail there, or once did.

¶15. (SBU) Sefland also hosted a dinner for NAPEP, during which he told CDA that the small band of Russians working at Pyramiden is intended to maintain a shoestring Russian presence in that town. He agreed that the "work" going on there is unlikely to lead to any meaningful development of Pyramiden into a tourist destination. (Although the cruise tour NAPEP accompanied did bring tourists to Pyramiden, there was no opportunity to spend any money there.) CDA asked Sefland about contacts between the authorities on Svalbard and Russians at Franz Josef Land. He said there had been requests for assistance, in areas like search and rescue, and he claimed that this reflected the fragile support that Franz Josef Land receives from mainland Russia.

Kongsberg Satellite Station - High Tech in the High North

¶16. (U) CDA and NAPEP visited the Kongsberg Satellite Service Station just outside Longyearbyen, which the briefers there noted was the largest on earth, servicing approximately 350 satellites in polar orbit. (Svalbard's location at 78 degrees north makes this site auspicious for the purpose). NASA's antenna is the oldest at the site, and the Norwegian briefers said NASA remains the station's most important customer. The EU satellite system Galileo will also be serviced from Svalbard. The station employs some 17 engineers and other personnel year round.

¶17. (U) Kongsberg connected Svalbard to mainland Norway via fiber optic cable in 2003, to facilitate transmission of satellite data.

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This has benefited the entire Norwegian presence in the archipelago (CDA noted tremendously fast broadband internet connection in Longyearbyen), and has facilitated the success and growth of the new University Center in Svalbard (UNIS). UNIS has a staff of 50, including 25 PhDs, and now hosts 400 students from 25 countries to do field scientific research on Arctic biology, geology, astronomy (northern lights), and climate (including carbon capture and storage). UNIS dates from 2003, but its current modern and up to date facility was inaugurated by the King and Queen of Norway in 2006.

¶18. (U) The UN's Global Seed Bank (GSB) is another Svalbard institution visited on the NAPEP trip (and later visited in early September by UN Secretary General Ban Ki-Moon). Taking advantage of Svalbard's climate to maintain a constant cold temperature at its underground vault, the GSB has the capacity to store 4.5 million distinct samples and over 2 billion seeds. The GSB's purpose is to safeguard and insure global plant genetic diversity against catastrophic extinction events.

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